

## SENATE BILL NO. 477

INTRODUCED BY C. KAUFMANN

A BILL FOR AN ACT ENTITLED: "AN ACT GIVING SCHOOL DISTRICTS PERMISSIVE LEVY AUTHORITY IN THE OVER-BASE PORTION OF THEIR GENERAL FUND BUDGETS; AND AMENDING SECTION 20-9-353, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**NEW SECTION.** **Section 1. Permissive general fund levy.** (1) Whenever the trustees of a district consider it necessary to adopt a general fund budget in excess of the preceding year's adopted general fund budget, the trustees may finance the additional amount with a permissive levy on the taxable value of all taxable property in the district. The levy may not exceed an amount necessary to fund the district's preceding year's adopted general fund budget multiplied by the inflation factor applicable to the fiscal year in question, determined in accordance with 20-9-326. The proceeds of this levy must be deposited in the district's general fund and must be used to support expenditures of the district's adopted general fund budget.

(2) Whenever the trustees of the district determine that an additional amount of financing is required for the general fund budget that is in excess of the amount raised by the levy provided for in this section, any additional general fund levy must be submitted to a vote as provided for in 20-9-353.

(3) A school district that does not impose the maximum levy authorized under subsection (1) may carry forward the authority to impose the levy in a subsequent school fiscal year.

**Section 2.** Section 20-9-353, MCA, is amended to read:

**"20-9-353. Additional financing for general fund -- election for authorization to impose.** (1) The trustees of a district may propose to adopt an over-BASE budget amount for the district general fund that does not exceed the general fund budget limitations, as provided in 20-9-308.

(2) When the trustees of the district propose to adopt an over-BASE budget under subsection (1), any increase in local property taxes beyond that authorized by ~~20-9-308(4)~~ [section 1] must be submitted to a vote of the qualified electors of the district, as provided in 15-10-425. The trustees are not required to submit to the qualified electors any increase in state funding of the basic or per-ANB entitlements or of the general fund

1 payments established in 20-9-327 through 20-9-330 approved by the legislature. When the trustees of a district  
2 determine that a voted amount of financing is required for the general fund budget, the trustees shall submit the  
3 proposition to finance the voted amount to the electors who are qualified under 20-20-301 to vote upon the  
4 proposition. The election must be called and conducted in the manner prescribed by this title for school elections  
5 and must conform to the requirements of 15-10-425. The ballot for the election must conform to the requirements  
6 of 15-10-425.

7 (3) If the proposition on any additional financing for the general fund is approved by a majority vote of  
8 the electors voting at the election, the proposition carries and the trustees may use any portion or all of the  
9 authorized amount in adopting the final general fund budget. The trustees shall certify any additional levy amount  
10 authorized by the election on the budget form that is submitted to the county superintendent, and the county  
11 commissioners shall levy the authorized number of mills on the taxable value of all taxable property within the  
12 district, as prescribed in 20-9-141.

13 (4) All levies adopted under this section must be authorized by the election conducted before August 1  
14 of the school fiscal year for which it is effective.

15 (5) If the trustees of a district are required to submit a proposition to finance an over-BASE budget  
16 amount, as allowed by 20-9-308, to the electors of the district, the trustees shall comply with the provisions of  
17 subsections (2) through (4) of this section.

18 (6) A school district that does not impose the maximum levy authorized under subsection (1) may carry  
19 forward the authority to impose the levy in a subsequent school year."

20 - END -